

Utah Broker Course Curriculum
Part 1 – UTAH LAW
30 Hours, including 3 hours testing

NOTE: It is expected that a school will teach all of the information contained in the sections listed below – whether they come from UCA 61-2 or from the Administrative Rules. Students will be held accountable on the test for knowing all of the information contained therein. Since the content of UCA 61-2 and the Administrative Rules is readily available to any school, it is not necessary to print all the detail in this outline. However, there is some information the students are not expected to know, such as qualifications for a school or for an instructor. Those items will not be noted in the curriculum listed below.

The purpose of the brief outline below is to indicate which sections and subsections are to be included (in their entirety) in the curriculum taught by a certified school.

From time to time changes, deletions, and/or additions are made to these items. Schools will be expected to stay up to date on these changes and alter their curriculum accordingly.

The R. E. Division requires of schools, as a condition of approval for a broker course of education, submitting a written learning objective for each of the content line items.

Content	Objectives
A. UCA 61-2-1: License required to practice real estate	
B. UCA 61-2-2: Definitions– including, but not limited to: 1. Real Estate Commission vs. Board of REALTORS® [functions 61-2-5.5] 2. Division of Real Estate (Director) [functions 61-2-5] 3. Principal broker, assoc. broker, branch broker 4. Branch office/satellite office 5. Property management 6. Property management office 7. Condominium vs. condo. hotel 8. Regular salaried employee 9. NEW “Undivided fractionalized long-term estate”	
C. UCA 61-2-3: Exempt persons and transactions (Different with sales vs. property mgmt.)	
D. UCA 61-2-4: One act for compensation qualifies a person as broker or sales agent	

E. UCA 61-2-5: Division of Real Estate - Functions; Director – Functions 61-2-5.1 Adjudicative Procedures 61-2-5.5 Real Estate Commission	
F. UCA 61-2-6: Licensing procedures and requirements	
G. UCA 61-2-7: Forms, Display of License 61-2-7.1 Change of information, notifications 61-2-7.2 Reporting requirements	
H. UCA 61-2-8: Discharge of assoc. broker or sales agent - Notice	
I. UCA 61-2-9: Examination and license fees – Criminal background check – Renewals – Education requirements – Activation – Recertification – Licenses of firm, partnership or association – Miscellaneous fees	
J. UCA 61-2-10: Restriction on commissions – Affiliation with more than one broker – Specialized licenses – Designation of agents or brokers	
K. UCA 61-2-11: Grounds for disciplinary action (Note there are 21 now) 61-2-11.5 Investigations	
L. UCA 61-2-12: Disciplinary action – Judicial review	
M. UCA 61-2-13: Grounds for revocation of principal broker's license – automatic inactivation of affiliated licensees 61-2-13.5 Court-ordered discipline	
N. UCA 61-2-14: List of licensees to be available	
O. UCA 61-2-17: Penalty for violation of chapter	
P. UCA 61-2-18: Actions for recovery of compensation restricted	
Q. UCA 61-2-20: Rights and privileges of real estate licensees to fill out forms or documents	

R. UCA 61-2-21: Remedies and action for violations	
S. UCA 61-2-22: Separability	
T. UCA 61-2-24: Mishandling of trust funds	
U. UCA 61-2-25: Sales agents – Affiliated with broker as independent contractors or employees – Presumption	
V. UCA 61-2-26: Rulemaking required for offer or sale of an undivided fractionalized long-term estate – Disclosures – Management agreement	
W. UCA 61-2-27: Exclusive brokerage agreement	
X. UCA 61-2a Real Estate Recovery Fund <ul style="list-style-type: none"> 1. Purposes 2. Source of funds 3. Claims on the fund 4. Consequences to licensee 	
Y. UCA 57-11 Land Sales Practice <ul style="list-style-type: none"> 1. Administered by the R. E. Division 2. If required to register, they must comply with all disclosure requirements in marketing to the public, including the Public Offering Statement and five-day right of rescission. 3. Anyone selling land must have a real estate license. 	
Z. UCA 57-19 Timeshare and Camp Resort Act <ul style="list-style-type: none"> 1. Certain projects must be registered, while others are exempt 2. Definitions under this Act 3. The process for project registration and a temporary sales permit 4. Requirements for sales person registration, plus the renewal process 	
UCA 25-5 Statute of Frauds	
A. R162-1 Authority and Definitions <ul style="list-style-type: none"> R162-1.1 Authority R162-1.2 Definitions 	

<p>B. R162-2 Exam and License Application Requirements R162-2-1 Qualifications for Licensure and Exam Application R162-2-2 Licensing Procedure R162-2-3 Company Registration R162-2-4 Licensing of Non-Residents R162-2-5 Reciprocity</p>	
<p>C. R162-3 License Status Change R162-3-1 Status Changes R162-3-2 Unavailability of Licensee R162-3-3 Transfers R162-3-4 Inactivation R162-3-5 Activation R162-3-6 Renewal and Reinstatement</p>	
<p>D. R162-4 Office Procedures – Real Estate Principal Brokerage R162-4-1 Records and Copies of Documents R162-4-2 Trust Accounts R162-4-3 Branch office</p>	
<p>E. R162-5 Property Management R162-5-1 Definition R162-5-2 Exemptions R162-5-3 Property Management by Real Estate Brokerage R162-5-4 Property Management by Separate Property Management Company</p>	
<p>F. R162-6 Licensee Conduct R162-6-1 Improper Practices 1. False devices 2. Loan fraud 3. Double contracts 4. Signs 5. Licensee’s interest in a transaction 6. Disclosure of licensed status 7. Listing content 8. Net listings 9. Advertising (note “team” information in 6.1.5.5) 10. Double commissions 11. Retention of buyer’s deposit 12. Unprofessional conduct 13. Finder’s fees 14. Referrals and provision of settlement services</p>	

15. Failure to have written agency agreement 16. Signing without legal authority 17. Counteroffers R162-6-2 Standards of Practice 1. Approved forms 2. Copies of agreement 3. Residential Construction agreement 4. Real Estate auctions 5. Guaranteed sales 6. Agency disclosure 7. Duty to inform (keep pr. broker informed) 8. Broker supervision 9. Disclosure of fees 10. Fees from builders 11. Fees from manufactured housing dealers 12. Gifts and inducements 13. Due-on-sale clause (duty to disclose) 14. Personal assistants 15. Fiduciary duties	
G. R162-7 Enforcement R162-7-1 Filing of complaint R162-7-2 Notice or complaint R162-7-3 Investigation and enforcement R162-7-4 Corrective notice	
H. R162-10 Administrative Procedures R162-10-1 Formal adjudicative proceedings R162-10-2 Informal adjudicative proceedings R162-10-3 Proceedings not designated R162-10-4 Hearings required in informal adjudicative proceedings R162-10-5 Procedures for hearings in all informal adjudicative proceedings R162-10-6 Additional procedures for disciplinary proceedings commenced by the Division	
I. R162-11 Undivided Fractionalized Long-Term Estates R162-11-1 Authority and Definitions R162-11-2 Marketing Disclosures R162-11-3 Regulation D Offerings	
A. Water Rights Source: State Engineer's Office, Division of Water Rights. Historical Background; Available Water Rights Information 6/3/99 1. Water history	

<ul style="list-style-type: none"> 2. Water appropriation 3. Know the variables of water ownership and any special requirements in the county where the property is situated. 	
<ul style="list-style-type: none"> B. Adverse Possession <ul style="list-style-type: none"> 7 yrs, property taxes 	
<ul style="list-style-type: none"> C. Settlement Statement 	
<ul style="list-style-type: none"> D. Forms <ul style="list-style-type: none"> 1. Adm. Rules list of forms 2. UCA defines forms approval process 	
<ul style="list-style-type: none"> E. Mechanic's Liens 	
<ul style="list-style-type: none"> F. Utah Residence Lien Restriction and Lien Recovery Fund Act (UCA 38-11-101) 	
<ul style="list-style-type: none"> G. Agency in Utah <ul style="list-style-type: none"> 1. No neutral facilitator 2. Limited agency 3. Designated agency (UCA 61-2-10 (5)) 	
<ul style="list-style-type: none"> H. Stigmatized property laws (UCA 57-1-1 (4)) and (UCA 57-1-37) <ul style="list-style-type: none"> 1. Definition 2. Disclosure not required 	
<ul style="list-style-type: none"> I. Sex Offender Registry 	
<ul style="list-style-type: none"> J. Property taxes <ul style="list-style-type: none"> 1. Greenbelt 2. Primary residence exemption 	
<ul style="list-style-type: none"> K. REPC for New Construction <ul style="list-style-type: none"> 1. Warranties 2. Inspection – null and void 3. Dates utilized differently 4. Abrogation a bigger issue 5. Change orders 	
<ul style="list-style-type: none"> L. Foreclosure <ul style="list-style-type: none"> 1. Deficiency actions 2. Trustee's sale vs. sheriff's sale 3. Notice of default (trust deed & mortgage) 4. Time frames <ul style="list-style-type: none"> a. Period to cure default b. Notice of sale 	

<ul style="list-style-type: none"> c. Publication requirements 4. Bankruptcy creates an automatic stay 5. Required mortgage foreclosure procedures 6. Optional trust deed foreclosure procedures <ul style="list-style-type: none"> a. Substitution of trustee 7. Disposition of proceeds of the sale 8. Right of redemption 	
<p>M. Utah Privacy Act (to be implemented 10/08) Appropriate office procedures</p>	

Part 2 -- BROKER PRINCIPLES [FUNDAMENTALS]
(Succinctly reviewing key concepts already covered in the sales course)
45 Hours, including 4 hours for testing

Content	Objectives
<p>A. Agency</p> <ol style="list-style-type: none"> 1. Definition 2. Types of agency 3. Creation, termination of agency 4. Fiduciary duties 5. Limited agency/dual agency 6. Designated agency 7. Subagency 8. Unrepresented buyer/seller (tenant) (commission not an issue) 9. Commercial vs residential implications 10. Communication – agent is the same as the principal 	
<p>B. Federal Laws</p> <ol style="list-style-type: none"> 1. Fair Housing 2. ADA 3. Environmental Issues 4. Sherman anti-trust laws 5. UCC 6. Truth in Lending 7. RESPA 8. Do not call (spamming) 9. Privacy laws 10. Interstate land sales 11. Wetlands 12. HUD/VA Foreclosures 	
<p>C. Income Taxation</p> <ol style="list-style-type: none"> 1. 1031's - TIC's 2. Capital gains 3. Short sales/phantom gain 4. Interest deductions 5. Capital gains: investment vs. personal residence 	
<p>D. General Property Law & Ownership</p> <ol style="list-style-type: none"> 1. Real Property Land, subsurface, air rights, appurtenances 2. Personal property 3. Fixtures 4. Bundle of rights 	

<ul style="list-style-type: none"> 5. Life estates 6. Defeasible fee 7. Riparian water law (littoral) 8. Types of co-ownership interests 9. Condo, cooperative ownership 10. Partnerships, corporations, etc. 11. Deeds 12. Mortgages/Trust deeds, foreclosure 13. Mechanic's liens 14. Title and title insurance 15. Restrictive covenants, easements, encroachments 16. Zoning and building codes 17. Property taxes 	
<p>E. Contract Law</p> <ul style="list-style-type: none"> 1. Definition, bilateral/unilateral, express/implied 2. Valid, Void, Voidable 3. Essential elements 4. Offer-acceptance process 5. Standard clauses in contracts 6. Assignment/novation/flipping 7. Statute of limitations 8. Statute of frauds 9. Creation/termination 10. Communication <ul style="list-style-type: none"> a. FAX, email, electronic signatures b. Agent's role in communication (agent same as principal) 11. Listings 12. Options 	
F. Broker Math	
<p>G. Appraisal</p> <ul style="list-style-type: none"> 1. Purpose and function of an appraisal 2. Parts of an appraisal 3. Appraisal process, reports 4. Nature of value, types of value 5. Principles of appraising 6. Legal descriptions <ul style="list-style-type: none"> Metes & Bounds; Lot, Block, Plat; Rectangular Survey 7. Three approaches to appraisal (incorporates math re. cap rates, gross rent multiplier, net income, appreciation/depreciation, area calculations) 8. FNMA/FHLMC guidelines for ordering 	

appraisals	
<p>H. Finance</p> <ol style="list-style-type: none"> 1. Primary/secondary markets 2. Financing alternatives 3. Instruments used in financing 4. Clauses in loans 5. Qualifying the borrower <ol style="list-style-type: none"> a. bankruptcy issues b. foreclosure issues c. Utah Exemption Act 6. Settlement process 7. Loan fraud/flipping 8. Short sales 9. Lien theory, title theory 10. Definition of trust deed and mortgage 11. Terms: mortgagor, mortgagee, trustor, trustee, beneficiary 12. Judicial vs. non-judicial foreclosure 13. Bankruptcy creates automatic stay 	
<p>I. Property Management (definitional stuff in this section – application in Section 3)</p> <ol style="list-style-type: none"> 1. Leasehold estates 2. Types of leases 3. Utah landlord/tenant law 4. Eviction process 	

Part 3 -- BROKER PRACTICES

(Topics repeat and expand on preceding sections, at a broker level)

45 Hours, including 4 hours for testing

Content	Objectives
<p>A. Forms (conflict between States Supp. Clauses and UAR's Supp. Clauses)</p> <p>State Approved Forms</p> <ul style="list-style-type: none"> REPC REPC for New Const. Addendum Supplementary Clauses FHA/VA Addendum Assumption Addendum Seller Financing Add. Buyer Financial Info. Sheet Survey Addendum Lead Based Paint Disclosure Lead Based Paint Addendum Uniform R. E. Contract All-Inclusive Trust Deed All-Inclusive Trust Deed Note <p>Other Standardized Forms</p> <ul style="list-style-type: none"> Listing Buyer Broker Agreement Seller's Property Condition Disclosure Buyer Due Diligence Checklist Limited Agency Consent Agreement Unrepresented Buyer Disclosure FSBO Commission Agreement Short Sale Addendum Understanding Short Sales Multiple Offers (3) Assignment (3) Supplementary Clauses 	
<p>B. Appraisal</p> <ol style="list-style-type: none"> 1. Appraisal requirements for various loan products (FHA & VA, ex.) 2. How to read a URAR 3. CMA vs. appraisal 4. Creating an effective CMA 5. Educating clients about the appraisal process and transaction alternatives. 6. BPO restrictions (payment has to come through broker) 	

<p>C. Role of the broker/Implementation of procedures</p> <ol style="list-style-type: none"> 1. Responsibilities <ul style="list-style-type: none"> Supervision Review of documents 3. Liabilities 4. Risk Management <ul style="list-style-type: none"> E & O Insurance Transaction Checklist Environmental Issues File Management (confidentiality) 5. Trust accounts (record keeping) <ul style="list-style-type: none"> failed transactions, file retention 6. Client/co-broker relations <ul style="list-style-type: none"> Conflict resolution 	
<p>D. Managing the Company</p> <ol style="list-style-type: none"> 1. Personal assistants and teams 2. Broker approval of all advertising <ul style="list-style-type: none"> Website issues 4. Copyright issues 5. Awareness of license expirations 6. Hiring: <ol style="list-style-type: none"> a. Written contract <ul style="list-style-type: none"> Independent contractor vs. employee b. Div. of R. E. protocol/online RELMS c. No assignment of listing contracts when agents transfer -- proper protocol 7. Training <ol style="list-style-type: none"> a. Philosophy b. New Agents c. Experienced agents d. Regularly scheduled in-service training e. Mentors 8. Policies and Procedures Manual <ol style="list-style-type: none"> a. Purpose b. Topics 	
<p>E. Property Management</p> <ol style="list-style-type: none"> 1. Property Management Profession <ol style="list-style-type: none"> a. Definition b. Duties c. Classification of property 2. Managing Owner Relations <ol style="list-style-type: none"> a. Identify owner's objectives b. Management Contract c. Property Manager's overall duties 3. Tenant relations 	

<ul style="list-style-type: none"> a. Security Deposits b. Rent Collection c. Lease Renewal 4. Specific Issues <ul style="list-style-type: none"> a. Residential: Budgeting, reporting maintenance, conformance with ordinances, insurance/liability b. Coops and condominiums: CC&R's c. Commercial Property 	
<ul style="list-style-type: none"> F. Agency <ul style="list-style-type: none"> 1. Avoiding implied or undisclosed agency 2. Limited agency scenarios 3. Unrepresented buyers 4. Unrepresented sellers 	
<ul style="list-style-type: none"> G. Ethics and Professionalism <ul style="list-style-type: none"> Situational ethics 	